

## **Affordable Housing Impact Statement**

### **Land Use Element Change for 17-O-1303/CDP-17-12**

#### **Requirements**

Per the requirements of Ordinance 14-O-1614, Affordable Housing Impact Statements shall include a quantitative or numeric section that shall provide numeric estimates of impacts, quantifying numbers of units impacted at certain levels of affordability over the thirty year period following the enactment of the legislation; and a narrative section to provide an explanation of the analyses that led to the estimates.

Where the estimates are derived from existing grant applications or the basis of those estimates are otherwise straightforward, the narrative section shall state as such. Where the proposals being considered require the Office of Housing to draw upon their experience and expertise to come up with a projected impact, the narrative section shall specify what assumptions were used in creating the estimates.

#### **Quantitative/Numeric Section**

This legislation, if enacted, is estimated to have a projected impact upon the affordable housing stock of the City of Atlanta over the thirty year period following the enactment of the legislation by:

Adding   0   or decreasing   0   units affordable at 30 or below percent of the City of Atlanta Area Median Income (AMI); and

Adding   0   or decreasing   0   units affordable between 30.01 and 50 percent of AMI; and

Adding  64  or decreasing   0   units affordable at between 50.01 and 80 percent of AMI; and

Adding   2  or decreasing   0   units affordable at over 80 percent of AMI.

#### **Narrative Section**

The land use would be amended from mixed-use medium-density to low-density commercial for the property containing Adair School in Adair Park. The school is currently abandoned and would be replaced with 66 residential units. Two of these units would be three-bedroom townhomes and the remaining 64 units would be one-bedroom micro-units. No housing will be eliminated as a result of this land use amendment. The following analysis will focus on the affordability of the housing to be created.

The US Department of Housing and Urban Development (HUD) describes affordable housing as housing that costs no more than 30% of a household's income. Given that the proposed micro-units would be rental units, the relevant measure is whether a household is paying over 30% of

its income toward rent. The following table derived from HUD data, shows the affordability of different rents to households at the relevant percentages of AMI.

Family Size	AMI Category	Household Income	Maximum Affordable Rent Based on Percentage of AMI
1	30%	\$14,200	\$355
	50%	\$23,650	\$591
	80%	\$37,800	\$945
2	30%	\$16,200	\$405
	50%	\$27,000	\$675
	80%	\$43,200	\$1,080
3	30%	\$20,160	\$504
	50%	\$30,400	\$760
	80%	\$48,600	\$1,215
4	30%	\$24,300	\$607
	50%	\$33,750	\$844
	80%	\$54,000	\$1,350

The developer estimates that the rent for the one-bedroom micro-units will be \$550-\$750. Due to the broader environment of rising property values and rents in the City of Atlanta, this analysis assumes that the upper estimate of \$750 will be the rent for the units. This would mean that the 64 units will be affordable to households between 50% and 80% of AMI.

The two townhomes have three bedrooms each and will be rented for \$2,500. This exceeds the affordable rent for a household of three at 80% of AMI. Therefore, they will not increase affordable housing.